



Incap Corporation  
Interim report 15 November 2016 at 8.30 a.m. (EET)

## INCAP GROUP BUSINESS REVIEW FOR JANUARY-SEPTEMBER 2016

**Revenue was increased by 32% and operating profit by 30% on the corresponding period last year. Construction work of the factory extension in India proceeding as scheduled.**

The information in this business review concerns the development of Incap Group in January-September 2016 and in the corresponding period of 2015, unless otherwise stated. The figures are unaudited.

### Key figures in January-September 2016

- The Group's revenue amounted to EUR 27.9 million, up 32% on the corresponding period of previous year (Jan-Sep 2015: EUR 21.2 million).
- The Group's operating profit (EBIT) amounted to EUR 3.3 million, up 30% on the corresponding period (EUR 2.5 million).
- Net profit for the period amounted to EUR 2.0 million, up 64% on the corresponding period (EUR 1.2 million).

(EUR thousand)	1-9/ 2016	1-9/ 2015	7-9/ 2016	4-6/ 2016	1-3/ 2016	1-12/ 2015
Revenue	27,920	21,214	10,048	9,186	8,686	30,566
Operating profit/loss (EBIT)	3,265	2,517	1,063	1,037	1,165	3,692
Profit/loss for the period	2,043	1,247	778	614	651	2,012

### Key events of the period

Incap Group's revenue for January-September 2016 developed favourably both in India and in Estonia, growing by 32% on the comparison period. Thanks to the ramp-up of a new customer's volume production the manufacturing quantities in Estonia have increased enabling further strong business development of the unit. The currency fluctuation between Euro and Indian Rupee weakened the revenue by approximately EUR 1.2 million on the corresponding period last year.

The operating profit (EBIT) amounted to EUR 3.3 million, increasing by 30% on the comparison period last year. The operating profit margin stayed on a good level at 11.7% even though it decreased slightly towards the end of the review period as expected.



The financing position of the company remained good and the equity ratio on 30 September 2016 was 34.6% (30 September 2015: 28.4%).

The construction of the expansion of the production facilities in India has proceeded on schedule, and the extension of approximately 2,000m<sup>2</sup> is planned to be taken into operation in the beginning of 2017. The expansion enables future growth of export deliveries, which is required both by present and new potential customers. At present, the export production is running at full capacity.

### **Outlook for 2016**

Incap's estimates for future business development are based both on its customers' forecasts and on the company's own assessments.

The company continues to estimate that the Group's revenue in 2016 will be approximately EUR 35-40 million. The operating profit (EBIT) in 2016 is estimated to be approximately at the same level or somewhat higher than in 2015, when the operating profit was EUR 3.7 million, provided that there are no major changes in exchange rates.

Incap will publish its financial statement release for January-December 2016 in accordance with IAS 34 on Tuesday, 21 February 2017.

### **Ville Vuori, President and CEO of Incap Group:**

"The business of Incap continues proceeding with good tempo. Both units are recruiting and developing their production capacity. Our financial situation keeps improving. All in all, we have succeeded in aligning our management and business model effectively with our service promise. We are able to react fast and improve our position in continuously changing market conditions. We expect the positive trend to continue. By keeping the focus on continuous development our long-term future outlook is optimistic."

INCAP CORPORATION  
Board of Directors

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### ***INCAP IN BRIEF***

*Incap Corporation is an international contract manufacturer. Incap's customers are leading suppliers of high-technology equipment in their own business segments, and Incap increases their competitiveness as a strategic partner. Incap has operations in Finland, Estonia, India and China, and the company currently employs approximately 470 people. Incap's share is listed on the Nasdaq Helsinki Ltd. as from 1997. Additional information: [www.incapcorp.com](http://www.incapcorp.com).*